THE MADRAS LEGISLATIVE COUNCIL.

Tuesday, the 21st October 1947.

The House met in the Council Chamber, Fort St. George, at eleven of the clock, Mr. President (THE HON. SRI R. B. RAMAKRISHNA RAJU) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Allotment of quotas of iron, steel, cement and coal to this Province.

* 88 Q.—SRI R. SURYANARAYANA RAO : Will the Hon. the Minister for Industries be pleased to state—

(a) whether the Government of India have been allotting quotas of iron and steel and cement and coal to this Province;

(b) if so, what the quotas have been during 1944–45, 1945–46, 1946–47 and 1947–48;

(c) how these quotas have been distributed and for what purposes;

(d) what the arrangements for distribution of these quotas have been; and

(e) whether the Government have under consideration schemes for improved methods of distribution, and if so, what they are?

THE HON. SRI H. SITARAMA REDDI :—

Iron and Steel.

" (a) Prior to 1947 no separate quota of iron and steel was allotted to this Province.

" (b) The quota allotted to this Province for 1947 is 31,000 tons.

" (c) The Provincial quota is intended for the general public including small manufacturers of consumer goods. The main purposes for which the quota is utilized include agricultural purposes, construction of public utility and private residential buildings and small industrial establishments and manufacturers of consumer goods. This quota is made available through registered stock-holders and all releases are made on permits issued by the Provincial Steel Controller (Director of Industries and Commerce) in favour of the consumers.

" (d) Prior to the allotment of a separate quota for this Province in 1947 the distribution of steel was effected by the Iron and Steel Controller, Calcutta, with the assistance of the Regional Deputy Iron and Steel Controller at Madras.

"(e) A scheme for the reorganization of distribution of the Provincial quota of iron and steel is under consideration of the Government. It is also proposed that 30 per cent of the Provincial quota should be earmarked for agricultural purposes.

Coal.

"(a) Yes.

"(b) During 1944 the quota of coal and coke allotted was 67 wagons per month. This was increased to 75 wagons per month in March 1945. From October 1945 an additional quantity of 10 wagons of by-product hard coke was also sanctioned for the use of foundries and engineering works. In December 1945 the total quota was further increased to 150 wagons per month (including 10 wagons per month of by-product hard coke). With the transfer to the Provincial Coal Controller of work relating to distribution of coal to tobacco-curing concerns and re-drying factories from the 1946–47 seasons, a quota of 100,000 tons for tobacco-curing and 8,080 tons for re-drying factories was allotted to this Province. In addition to the above supplies a separate quota of 100 wagons of slack coal per month for brick manufacturing concerns was allotted in October 1945 and later increased to 166 wagons from December 1945 until June 1947 when it was reduced to 76 wagons per month. The quota for the 1947–48 season has not yet been intimated.

"(c) & (d) Till March 1946, allotments were made to the various industrial establishments according to their requirements. Since then, fixed allotments have been made to 28 classes of industries attached to the Provincial Coal Controller as in the [a]Statement I placed on the table of the House. A separate quantity is set apart for the Provincial Depot-holders (Class Z. MS.) as shown in the Statement I for distribution to small-scale industries in accordance with permits issued by the Provincial Coal Controller. To avoid complaints and to ensure equitable distribution of coal to tobacco-curing and re-drying factories, Inspectors have been appointed in four centres, Chirala, Ongole, Guntur and Bezwada. Each Inspector is assisted by an Advisory Committee consisting of five members nominated from among the tobacco-curing ryots and releases of coal are effected and permits issued to the ryots by the Inspector on the recommendations of the Advisory Committee. The number of dealers for retail distribution has also been increased from 3 to 5.

"(e) With a view to actively associate the tobacco-curers with the distribution of coal it is proposed by the Director of Industries and Commerce to enlist representative tobacco ryots' associations as dealers for distribution of coal for tobacco-cuing purposes whenever they are in a position to engage in the trade.

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[a] Printed as Appendix I on page 562 infra.

21st October 1947]

Cement.

"(*a*) The Government of India have been allotting a monthly quota of cement to this Province which covers the jurisdictions of the Regional Honorary Cement Advisers, Coimbatore and Madura.

		TONS.
"(*b*) 1944–45	(November 1944 to March 1945).	41,590
1945–46	.. ..	2,55,570
1946–47	.. ..	3,69,520
1947–48	(April & May 1947)	54,001

"(*c*) A [a]statement showing the distribution of the quotas of cement is placed on the table of House.

"(*d*) The demands are divided for purposes of convenience into two categories, viz., small and large. Small quantities generally speaking range from a bag to a couple of tons while large quantities constitute—10 tons and above or wagon loads. In order to meet the numerous demands of the public for small quantities, a bulk allotment is made to the suppliers, viz., The Cement Marketing Company of India, Limited, Coimbatore, Madras and Bangalore, and the Andhra Cement Company, Limited, Bezwada. They in turn, distribute the monthly allotments among their several stockists as early as possible and in proportion to the ifmportance of and demand at the various centres. The stockists distribute the stocks they receive to the small consumers in an equitable manner at rates and under a system approved by the Government of India.

"In the case of large demands, authorizations are issued on suppliers who arrange despatches from the factory direct, generally in the order of dates of booking, except those which carry special priority.

"(*e*) The question of this Government's undertaking distribution is under correspondence with the Government of India."

SRI R. SURYANARAYANA RAO :—"May I know, Sir, from the Hon. Minister whether allotments for big constructions such as newspaper offices are given from the provincial quota or from the special quotas of the Government of India?"

THE HON. SRI H. SITARAMA REDDI :—"On the 8th of this month, the Government of India have announced that in the quotas that are usually allotted for industries, newspapers have also been included for the year 1948. There is no allotment for such offices from the Provincial Government and if any such allotment is given, it is purely at the discretion of the Provincial Government."

SRI R. SURYANARAYANA RAO :—"May I take it, Sir, that if applications are made for such large allotments, they will not be given in future from the provincial quotas which are intended for small consumers and agriculturists?"

THE HON. SRI H. SITARAMA REDDI :—"Yes, Sir. Such applications will be forwarded to the Government of India."

[a] Printed as Appendix II on page 562 infra.

[21st October 1947

SRI R. SURYANARAYANA RAO :—" May I know, Sir, whether the local Controller and his assistants have any knowledge of engineering to assess correctly the value of the requirements of the applicants? "

THE HON. SRI H. SITARAMA REDDI :—" Usually the local controllers assess the requirements by the plans and estimates that are usually submitted. If any person wants to build a house and if he submits the plans and estimates for that building, the officer will have to depend upon those plans and estimates which are prepared by proper engineers, and then he makes the allotments according to the availability of the material."

SRI R. SURYANARAYANA RAO :—" May I ask the Government, whether they have considered the question of decentralising the distribution in view of the policy that they have already announced, in order to ensure quick disposal of these applications? "

THE HON. SRI H. SITARAMA REDDI :—" There are certain difficulties in the way of decentralization because the Steel Controller recognizes one person known as the Provincial Steel Officer. There are also certain other difficulties. Arrangements are made in the office of the Director of Industries to see that applications are dealt with as expeditiously as possible and I may give for the information of the hon. Member, that everyday at least 500 permits are issued by the office of the Director of Industries for the last ten days."

SRI R. SURYANARAYANA RAO :—" May I know what steps are taken by the Government to see that the allotted quota is of the material by selling it in the black-market."

THE HON. SRI H. SITARAMA REDDI :—" When any quota is given, it is given on the basis that it will be used for the purpose for which it is asked for, and if any cases are brought to the notice of the Government that it is being used for a purpose other than the purpose for which it is intended, suitable action will be taken by the Government.'"

SRI R. SURYANARAYANA RAO :—" Are the Government aware that if the required quantity is not allotted at one time, some times, the allottees are forced to abandon the works for which they have made applications and they make profitable use of the material by selling it in the black-market."

THE HON. SRI H. SITARAMA REDDI :—" If it is brought to the notice of the Government that a particular allottee is black-marketing in the quota that has been allotted to him, Government will certainly prosecute him or otherwise take such action as is necessary against him."

SRI B. BHIMA RAO.—" Will the Government consider the appointment of some agency to check whether the material supplied has been utilized for the purpose for which it has been applied for?"

THE HON. SRI H. SITARAMA REDDI :—" I may inform the hon. Member, that Government will not appoint any staff for this purpose; after all, there may be only a few cases and it may not be worth while for the Government to appoint various officers for this checking business."

DR. SIR A. LAKSHMANASWAMI MUDALIYAR :—" May I ask the Government, Sir, whether the requirements of steel and cement for the building of colleges by the University or other colleges are provided from the provincial quota or from the Government of India quota? "

THE HON. SRI H. SITARAMA REDDI :—" My own feeling is that it does not come under industry. So far as I know, there are no specific cases like that. The Provincial Government gives quotas for the purpose of building small schools, hospitals and some other institutions, but for large constructions like the University buildings, if application is made to the Government, I would take it up with the Government of India to see that a special allotment is made for such constructions."

DR. SIR A. LAKSHMANASWAMI MUDALIYAR :—" Thank you, Sir."

SRI R. SURYANARAYANA RAO :—" When an application is made for a certain quota of iron and steel, Sir, the whole quota is not given. It is divided into four quarters and if in the succeeding quarters, the remaining quantity is not given, what is the allottee to do except to abandon the work and sell the steel given to him? I do not say that he is blackmarketing. But, unless the full quota is given, he cannot complete the work. Therefore, may I suggest to the Government to examine this question and to see that, when application for a certain quota is made and when the officer is satisfied that the quota is required for the completion of the work and that the work is essential, the full allotment is made, so that the work may be completed within the required time? "

THE HON. SRI H. SITARAMA REDDI :—" Sir, the suggestion is very good. But, there are difficulties. Only small quotas will be available and out of that lot, the officer has to meet the demands of the various people. People who undertake the construction will have known that it is very difficult to get iron and steel and so, they must plan their constructions in such a way that they may wait for the next allotment that comes in the next quarter."

[* 89 to 95 Q. were put and answered on the 20th October 1947.]

Alleged corruption charge against the Central Nazir of the District Court, Chingleput.

* 96 *Q.*—SRI C. N. MUTHURANGA MUDALIYAR: Will the Hon. the Home Minister be pleased to state—

(*a*) whether a petition alleging corruption against the Central Nazir of the District Court, Chingleput, was received in the Home Department on 8th April 1947;